

Message Text

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TAGS: PFOR, SW

SUBJECT: SALE OF US EQUIPMENT TO SWEDISH DEFENSE

REF: STOCKHOLM 5009

1. HERewith TRANSLATION OF SVENSKA DAGBLADET STORY OF
COMMANDER-IN-CHIEF SYNnergREN'S PRESS CONFERENCE OF SEPTEMBER 14.

2. BEGIN TEXT. "SWEDEN'S SUPREME COMMANDER ON THE MILLION-
KRONOR DEAL: WE ARE STILL BUYING AMERICAN SECRETS, SAYS
SUPREME COMMANDER."

"DESPITE THE DEEP-FROZEN RELATION OF 1968,
SWEDEN RECEIVED A PERMIT FROM THE PENTAGON AND THE U.S.
GOVERNMENT TO PURCHASE SOPHISTICATED ELECTRONIC
EQUIPMENT WHICH IS NOW BEING USED BY OUR INTELLIGENCE
BRANCHES. SUCH SECRET PURCHASES ARE STILL BEING MADE
TO THIS DAY," SAID STIG SYNnergREN, SWEDEN'S SUPREME
COMMANDER.

SYNnergREN WENT ON TO SAY THAT SWEDEN WAS THE ONLY
EUROPEAN NATION OUTSIDE NATO THAT THE UNITED STATES
APPROVED AS A BUYER. THE FIRST DELIVERY WAS
MADE IN 1968 - DESPITE THE FACT THAT IT WAS IN MARCH
OF THAT YEAR THAT WASHINGTON HAD RECALLED
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AMBASSADOR HEATH FOR "CONSULTATIONS" (SWEDEN'S PRIME

MINISTER PALME HAD PARTICIPATED IN A DEMONSTRATION TOGETHER WITH THE NORTH VIETNAMESE.)

AN INITIAL PAYMENT WAS MADE DURING 1970. THIS PAYMENT WAS PRECEDED BY A NUMBER OF PECULIAR CONTACTS THAT TOOK PLACE BETWEEN THE SWEDISH DEFENSE DEPARTMENT, THE CENTRAL BANK OF SWEDEN, SKANDINAVISKA ENSKILDA BANK, AND THE AMERICAN EMBASSY IN STOCKHOLM. THE RESULT OF THESE CONTACTS WAS THE TRANSFER OF SKR. 1,370,000 TO MAJOR GENERAL ROCKLY TRIANTAFELLU, CHIEF OF THE INTELLIGENCE SERVICES OF THE U.S. AIR FORCE.

FIB/KULTURFRONT AND WASHINGTON POST ON TUESDAY (SEPT. 14) RAISED THE QUESTION AS TO WHETHER THE AMERICAN GENERAL HAD RECEIVED THE MONEY FOR PROVIDING SERVICES AND INFORMATION. SUCH INSINUATIONS HAVE BEEN REFUTED BY BOTH SUPREME COMMANDER SYNNERGREN AND THE SWEDISH GOVERNMENT. IF GENERAL TRIANTAFELLU WAS IMPLICATED, HIS ROLE MUST HAVE BEEN THAT OF A GO-BETWEEN OR REPRESENTATIVE OF SOME BANK, SAID SYNNERGREN WHO REVEALED THAT HE DISPOSED OF SECRET FUNDS. HE ALSO STATED THAT DELIVERIES OF U.S. ELECTRONIC EQUIPMENT ARE CONTINUING. THE COST OF THESE SHIPMENTS AVERAGES SOME SKR 500,000 ANNUALLY.

"THE PURCHASES OF THESE ELECTRONIC ITEMS ARE RECORDED IN A SECRET BUDGET," THE SUPREME COMMANDER, STIG SYNNERGREN, SIAD. "I WILL NEVER DISCLOSE WHAT SORT OF ELECTRONIC ITEMS THESE ARE. BUT THEY ARE NECESSARY FOR SWEDEN'S DEFENSE. I HAVE NOTHING AGAINST YOUR CALLING IT INTELLIGENCE SERVICE..."

THERE WAS A TERRIFIC STIR IN STOCKHOLM AND WASHINGTON TUESDAY. FIB/KULTURFRONT AND THE WASHINGTON POST ASSERTED THAT THE SWEDISH DEFENSE -- BY VERY ROUNDABOUT MEANS -- HAD PAID US AIR FORCE MAJOR GENERAL ROCKLY TRIANTAFELLU AT LEAST SKR. 1,370,000, PROBABLY MORE.

THE MONEY WAS SAID TO BE PAYMENT FOR SERVICES OR INFORMATION. IT WAS POINTED OUT AT THE SAME TIME THAT TRIANTAFELLU HAD BEEN CHIEF OF THE US AIR FORCE INTELLIGENCE SERVICE.

FIB/KULTURFRONT AND JAN GUILLOU, NOTORIOUS FOR UNCLASSIFIED

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EARLIER "ESPIONAGE DISCLOSURES," HELD A PRESS CONFERENCE IN STOCKHOLM.

BOTH THE DEFENSE MINISTER AND CENTRAL BANK GOVERNOR INVOLVED AT THE TIME -- SVEN ANDERSSON AND PER ASBRINK -- CATEGORICALLY DENY KNOWLEDGE OF THE TRANSACTION. BUT WE HAVE PROOF. SVEN ANDERSSON WROTE LETTERS TO ASBRINK ABOUT IT AND THEY DISCUSSED THE QUESTION ON AT LEAST TWO

OCCASIONS.

"THE PAYMENTS WERE UNORTHODOX. AND THE TRANSACTIONS ARE NOT RECORDED ANYWHERE." COULD'NT THERE STILL BE A NATURAL EXPLANATION TO THE TRANSACTION? I SUPPOSE IT'S POSSIBLE," GUILLOU ADMITTED.

A COUPLE OF HOURS LATER IN THE SWEDISH PENTAGON, GENERAL SYNNERGREN CONFIRMED THAT SWEDEN PURCHASES US ELECTRONIC EQUIPMENT WHICH IS USED IN OUR INTELLIGENCE WORK.

"BUT I DENY CATEGORICALLY THAT MONEY HAS BEEN PAID TO AN AMERICAN GENERAL BY WAY OF THANKS FOR SERVICES OR SOMETHING OF THE KIND. FIB/KULTURFRONT'S INSINUATIONS TO THE EFFECT THAT WE HAVE AN AMERICAN GENERAL ACTING AS A SPY OR THAT WE ARE INVOLVED IN A LOCKHEED SCANDAL ARE INSIDIOUS AND NASTY."

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STIG SYNNERGREN CROSSED SWORDS SEVERAL TIMES DURING THE PRESS CONFERENCE WITH JAN GUILLOU, WHO WAS SITTING AMONG THE JOURNALISTS.

"THIS IS A LEGITIMATE AND NORMAL BUSINESS TRANSACTION," THE SUPREME COMMANDER REPEATED. "WE ARE PAYING FOR GOODS AND NOTHING MORE. THE GOVERNMENT KNOWS WHAT SORT OF MATERIAL IS INVOLVED. THE PURCHASE IS MADE FOR THE SWEDISH DEFENSE, BUT

IT BELONGS TO THE SECTOR WHICH MUST BE KEPT SECRET."

AS FAR AS SVENSKA DAGBLADET HAS BEEN ABLE TO DISCOVER, SWEDEN IS THE ONLY EUROPEAN COUNTRY APART FROM THE NATO COUNTRIES WHICH IS PERMITTED TO PURCHASE THIS ELECTRONIC MATERIAL. PROTRACTED AND DIFFICULT NEGOTIATIONS PRECED THE AMERICAN DECISION IN 1968.

"SOMEBODY ELSE TOOK THE INITIATIVE, BUT I AM RESPONSIBLE FOR FOLLOWING THROUGH WITH THE TRANSACTION. THERE ARE REGULAR DELIVERIES, AND THEY WILL CONTINUE --AT LEAST AS LONG AS I AM SUPREME COMMANDER."

"IS IT ONLY FROM THE US THAT WE BUY SECRET MATERIAL?"

"NO, WE BUY FROM ALL SORTS OF SOURCES. I HAVE A SECRET BUDGET. THE PARLIAMENT HAS APPROVED IT. AUDITORS CHECK THE TRANSACTIONS. THEY HAVE REVIEWED UNCLASSIFIED

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AND APPROVED THIS PURCHASE. FOR THAT MATTER, A PARLIAMENTARY INTELLIGENCE BOARD HAS BEEN SET UP RECENTLY TO KEEP AN EYE ON THINGS LIKE THIS. THE BOARD IS SO NEW THAT I HAVEN'T HAD THE TIME TO MEET WITH IT YET."

"HOW LARGE IS THE SECRET BUDGET?"

"I WON'T TELL YOU. BUT ON THE INTELLIGENCE SIDE THERE IS NO MORE MONEY CHANGING HANDS THAN I CAN KEEP TRACK OF. I HAVE THE GREEN LIGHT FROM THE GOVERNMENT WHICH GIVES ME THE RIGHT TO MAKE MY MOVES UP TO CERTAIN AMOUNTS. IF THESE SUMS ARE EXCEEDED, I ASK THE GOVERNMENT."

THE FIRST DELIVERY TOOK PLACE IN 1968, BUT THE FIRST PAYMENT WAS MADE IN 1970. THIS WAS PRECEDED BY A NUMBER OF PECULIAR MANEUVERS ON THE PART OF THE DEFENSE MINISTER OF THE TIME, SVEN ANDERSSON, THE S-E BANK, THE CENTRAL BANK, AND THE AMERICAN EMBASSY IN STOCKHOLM.

NOTES WERE MADE ON PAPERS BEARING A SECRET STAMP TO THE EFFECT THAT ONLY 100-DOLLAR BILLS WERE TO BE USED, THAT THE MONEY WAS TO BE SMUGGLED OUT OF THE COUNTRY, AND THAT IT WAS TO BE EXCLUDED FROM SWEDEN'S BALANCE OF PAYMENTS STATISTICS. IN ALL, IT INVOLVED SKR. 1,370,000.

"WE NEEDED TO TRANSFER THE MONEY OUT OF THE COUNTRY WITHOUT SPECIFYING WHAT WE WERE PURCHASING. THIS IS WHY I ASKED THE DEFENSE MINISTER TO WRITE TO THE CENTRAL BANK GOVERNOR."

"BUT WHY THE OTHER JUGGLING? WHY WAS THE FIRST PAYMENT MADE TO MAJOR GENERAL TRIANTAFELLU?"

"THE INITIAL PAYMENT WAS MADE TO GENERAL TRIANTAFELLU BECAUSE THERE WAS SOME INDECISION IN THE

UNITED STATES AS TO WHICH AUTHORITY SHOULD BE THE
RECIPIENT OF THE PAYMENT. TRIANTAFELLU AND THE U.S.
AIR ATTACHES IN STOCKHOLM WERE SIMPLY MIDDLEMEN.
WHOEVER SIGNED THE RECEIPTS FOR THE MONEY IS NO
CONCERN OF MINE," SAID THE SWEDISH SUPREME COMMANDER.

"WHAT IS IMPORTANT IS THAT THE MONEY GET INTO THE
HANDS OF THE PROPER RECIPIENT. AND IT DID," SAID
SYNNERGREN. "NOWADAYS OUR PAYMENTS ARE MADE FROM
ONE BANK TO ANOTHER. HOWEVER, I AM PREPARED TO
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JUGGLE WITH MONEY IF THIS SERVES TO ATTAIN OUR
OBJECTIVES. IT IS QUITE HONEST, BELIEVE ME," SAID
SYNNERGREN.

IT HAS BEEN QUERIED IN SOME QUARTERS AS TO
WHETHER THE US EQUIPMENT IS BEING USED TO WATCH
OVER THE CITIZENS OF THIS COUNTRY? WHEN THIS
QUESTION WAS PUT TO THE SWEDISH SUPREME COMMANDER,
HE ALL BUT EXPLODED. HE LOOKED SQUARELY INTO THE EYES
OF THE INTERVIEWER AND RETORTED: "SINCE THAT
QUESTION IS IMPERTINENT, I WOULD PREFER NOT TO REPLY -
BUT I WILL ANYWAY. PUT THE QUESTION TO THE NATIONAL
POLICE BOARD. WE IN THE DEFENSE FORCES WATCH OVER
NO ONE. THAT'S THE JOB OF THE POLICE, AND YOU KNOW
THAT."

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SVEN ANDERSSON WAS ALSO ASKED WHAT PART HE PLAYED IN THE AFFAIR. HE REPLIED: "I ADMIT THE WHOLE BUSINESS APPEARS SHADY, BUT I ASSURE YOU IT ISN'T. THE WHOLE AFFAIR IS QUITE ON THE LEVEL." SVEN ANDERSSON ADDED THAT JAN GUILLOU HAD ASKED HIM ON THE TELEPHONE ABOUT WHAT HE TERMED THE SMUGGLE MONEY PAID TO THE UNITED STATES VIA THE U.S. AIR ATTACHE IN STOCKHOLM. "AT THAT TIME, I TOLD GUILLOU I HADN'T HEARD OF ANY SUCH MONEY. SOME DAYS LATER SYNNERGREN TOLD ME WHAT GUILLOU HAD IN MIND. I THEN INFORMED THE OTHER MEMBERS OF OUR GOVERNMENT THAT FIB/KULTURFRONT WAS SNOOPING INTO OUR PURCHASES OF ELECTRONIC EQUIPMENT FROM THE UNITED STATES. THAT IS ALL I HAVE TO SAY," COMMENTED SVEN ANDERSSON.

HOWEVER, SYNNERGREN, ANDERSSON, AND GUILLOU, IN SPITE OF EVERYTHING, WERE IN AGREEMENT ON ONE SCORE. THE MANNER IN WHICH THE AMERICANS WANTED THE PAYMENT TO BE MADE DID SEEM PECULIAR. SWEDISH DEFENSE MINISTER ERIC HOLMQVIST ON TUESDAY NIGHT DID NOT WISH TO COMMENT ON THE DEAL OF SWEDEN'S DEFENSE FORCES WITH THE UNITED STATES. THE DEFENSE MINISTER SAID THAT BOTH THE SUPREME COMMANDER AND THE MINISTER FOR FOREIGN AFFAIRS HAVE MADE STATEMENTS TODAY. "MOREOVER, THE DEAL WAS CONCLUDED BEFORE I UNCLASSIFIED

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BECAME DEFENSE MINISTER," SAID HOLMQVIST. HE CONFIRMED THAT SWEDEN'S DEFENSE FORCES HAVE BEEN PURCHASING MATERIAL WITH RESPECT TO WHICH THERE IS NO REASON TO ACCOUNT FOR IN DETAIL. MINISTER HOLMQVIST ADDED THAT "NATURALLY OUR SUPREME COMMANDER HAD CONCLUDED THE DEAL WITH THE UNDERSTANDING OF OUR GOVERNMENT."
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